

Global Humanitarian Assistance

Resource flows to Sudan

Aid to South Sudan

July 2011



Global Humanitarian
Assistance

A DEVELOPMENT INITIATIVE 

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Introduction

South Sudan has been a major recipient of official development assistance (ODA), principally in the form of humanitarian aid, since the period leading up to the signing of the Comprehensive Peace Agreement (CPA) in 2005, and will almost certainly continue to be a key locus of concentration of global aid resources.

South Sudan was declared an independent state on 9th July 2011 and became a recipient of aid in its own right rather than as a region of Sudan. This provides new opportunities for donors, several of whom have struggled with legal and other restrictions that have limited the volumes and mechanisms through which they could channel aid resources to Sudan.

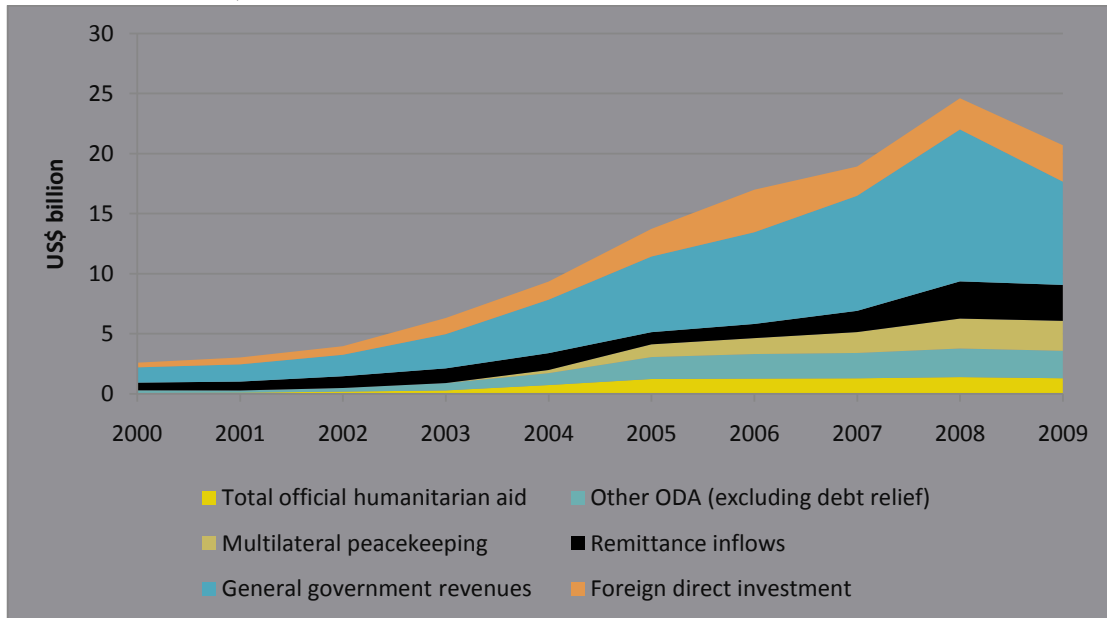
Aid priorities will almost certainly shift, and indeed the Government of South Sudan (GoSS) is now preparing a Development Plan structured around four pillars of governance, economic growth, human and social development and security and conflict resolution, to guide domestic and international investment in the post-independence period.

Looking to the future, there are great opportunities to study resource flows to South Sudan, but tracking historic aid flows to the different regions and different crises in Sudan is surprisingly difficult. The Organisation for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC)'s development statistics do not disaggregate by region and individual donors use a variety of different regional groupings, which do not correlate. Moreover, many donors fund programmes that operate across different regions of the country and do not disaggregate what proportion of the funds benefit respective regions. Wherever possible in this briefing paper, data is disaggregated for South Sudan, but the majority of the analysis considers resource flows to Sudan as a whole.

Sudan: major resource flows

Sudan is ranked amongst the least developed countries (OECD 2010), however government revenues are not insignificant for a country which was the largest recipient of humanitarian aid for the fifth consecutive year in 2009.

Sudan: Resource flows, 2000-2009

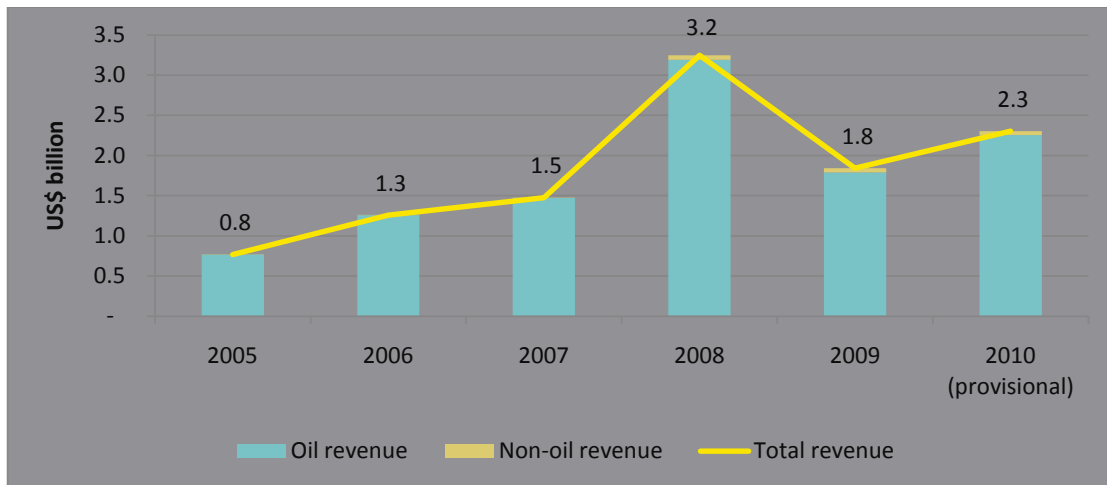


[Sources: Development Initiatives based on IMF Regional Economic Outlook, OECD DAC, Stockholm International Peacekeeping Research Institute and World Economic Outlook data]

Private flows to Sudan are considerable – remittances and foreign direct investment (FDI) were each reportedly US\$3 billion in 2009. However, the extent to which these private flows benefit the respective regions of the country is not clear.

Government revenues in 2009 were US\$8.6 billion (following a rapid contraction from the 2008 high of US\$12.8 billion) in comparison with total ODA (excluding debt relief) contributions of US\$3.6 billion and expenditure on peacekeeping of US\$2.5 billion.

Government revenues in South Sudan, as stated in the Ministry of Finance and Economic Planning (MoFEP) budget for 2011, were US\$1.8 billion.

South Sudan: Government revenues, 2005-2010

[Source: Development Initiatives based on Government of South Sudan, Ministry of Finance and Economic Planning (MoFEP), Approved Budget 2011]

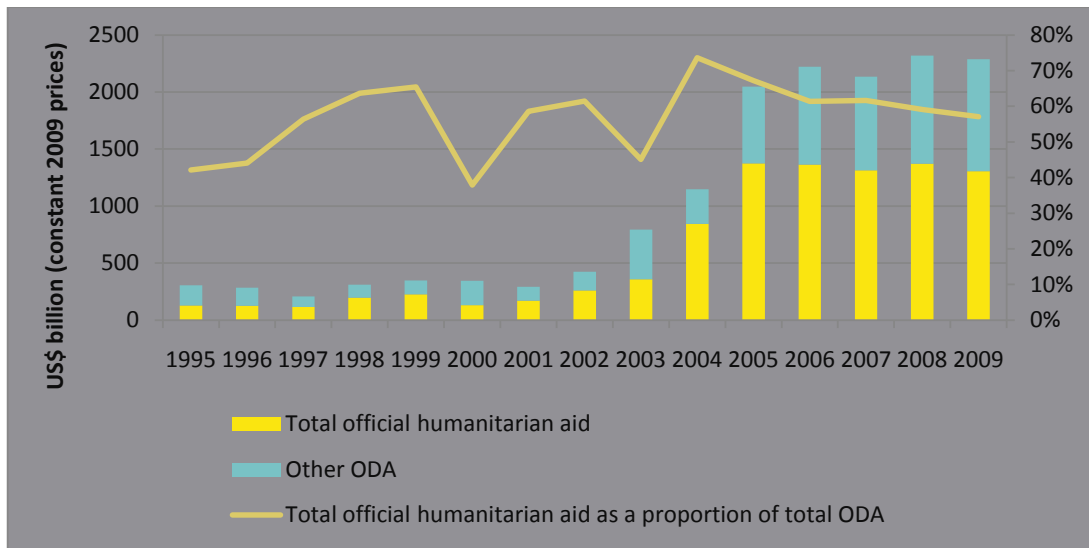
Government revenues, particularly in South Sudan are heavily dependent on oil revenues and as such are vulnerable to oil price fluctuations. In light of structural vulnerability, ODA flows to Sudan are important to underwrite basic social safety nets for vulnerable populations.

Official development assistance (ODA)

Sudan is a major official development assistance (ODA) recipient, ranked as the thirteenth largest recipient of ODA (excluding debt relief) allocable to countries between 2000 and 2009. A large proportion of that aid – 60.6% between 2005 and 2009 - is humanitarian aid.

Immediately after the signing of the CPA in January 2005, donors convened in Oslo to agree a package of funding to support the reconstruction and development of Sudan during the Interim Period (from the signing of the CPA in 2005 to the referendum to be held on its anniversary in 2011). Donors pledged US\$4.5 billion for the initial stage of 2005-2007. At the third Sudan Consortium meeting in 2008, donors pledged US\$4.8 billion for the remaining part of the interim period, 2008-2011. In the years 2005-2007, US\$4.1 billion in ODA disbursements (excluding debt relief) were reported to the OECD DAC.

Sudan: Official humanitarian aid in relation to other ODA flows, 2000-2009



[Source: Development Initiatives based on OECD DAC data]

The United States has been the largest donor in eight out of the ten years between 2000 and 2009, providing 35.4% of the total aid to Sudan in this period.

Three of the leading donors during this period, the United States, the United Kingdom and Norway are members of the ‘Sudan Troika’, the group of governments who supported the CPA negotiation process. The Sudan Troika governments have collectively provided 49.5% of ODA between 2000 and 2009.

The European Union institutions, collectively the second largest donor, have provided 13.5% of the total ODA between 2000 and 2009.

Arab country governments (including Kuwait, Saudi Arabia and United Arab Emirates) made a large single contribution of US\$143 million in 2000 and a second large contribution of US\$81.8 million in 2008, but have otherwise been relatively small donors providing 2.3% of the total aid in the period 2000-2009.

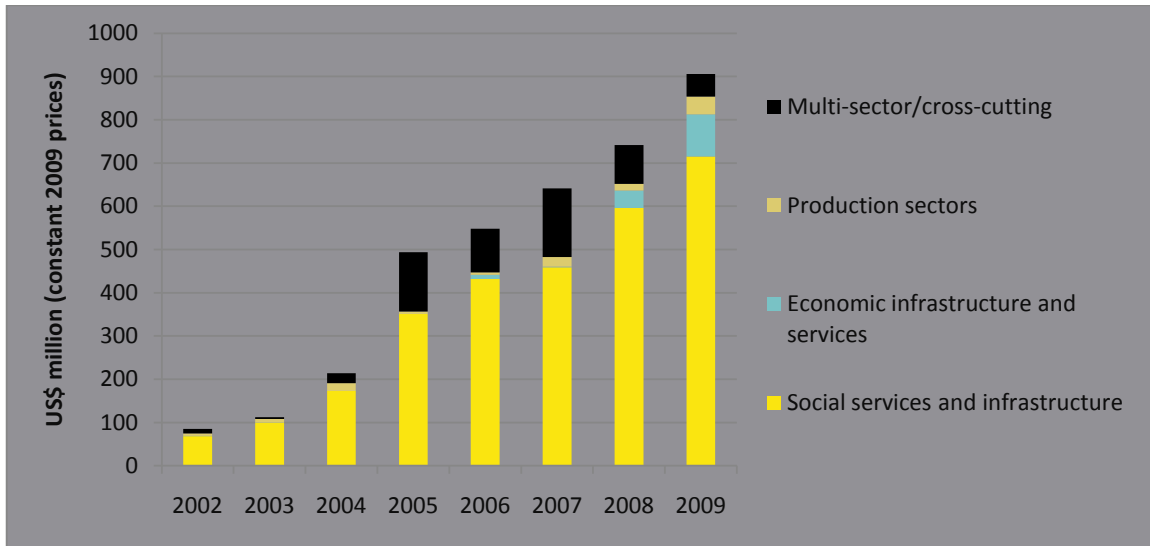
Aid priorities

The six top expenditure priorities of the GoSS for the period 2008–2011 are:

1. Security
2. Roads
3. Primary healthcare
4. Basic education
5. Water
6. Production

Investments in production sectors during the CPA interim period have been relatively low, peaking at just US\$41 million— just 1.8% of total ODA resources - in 2009. Economic infrastructure and services has similarly been a relatively marginal category of aid investment in Sudan, receiving US\$97 million at its peak – just 4.3% of total ODA - in 2009.

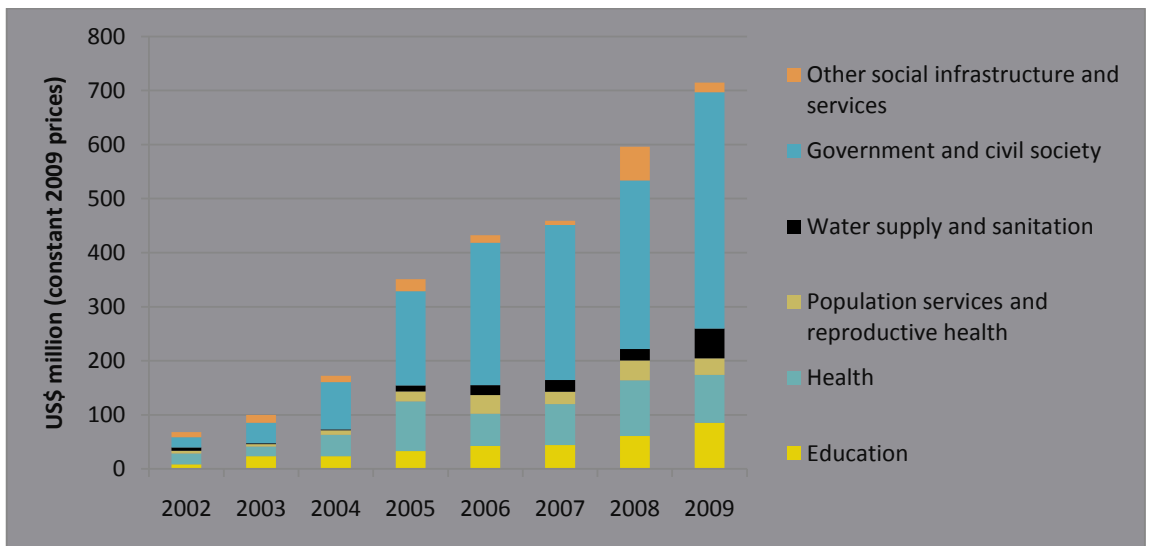
Sudan: Breakdown of sector allocable aid, 2002-2009



[Source: Development Initiatives based on OECD DAC data]

By far the largest share of sector allocable aid to Sudan has been dedicated to social services and infrastructure, which includes health, education, water and sanitation.

Sudan: Breakdown of social services and infrastructure aid, 2002-2009



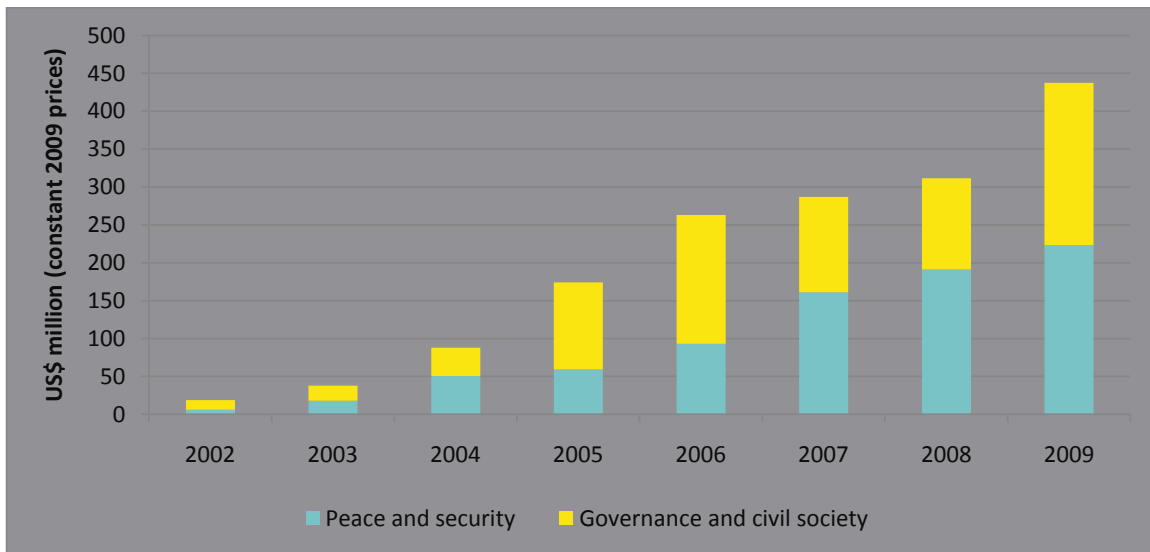
[Source: Development Initiatives based on OECD DAC data]

The largest share of sector allocable aid has been devoted to building the capacity of government and civil society and supporting a limited range of peace and security activities, which account for 57.7% of all sector allocable aid to Sudan between 2005 and 2009.

Substantial investments have been made in building the capacity of the new semi autonomous government of South Sudan as well as supporting democratic participation and elections. In total ODA investments in governance and civil society have made up 6.8% (US\$745 million) of the total ODA investments in Sudan between 2005 and 2009.

Security is the first priority for expenditure for the GoSS and this is certainly reflected in their own budgetary allocations. In 2010, for example the security sector accounted for 27.2% of the MoFEP's reported budgetary outturn. The sector allocable ODA investments in security between 2005 and 2009 by contrast were just 6.6% (US\$728).

Sudan: ODA expenditure on governance, peace and security, 2002-2009

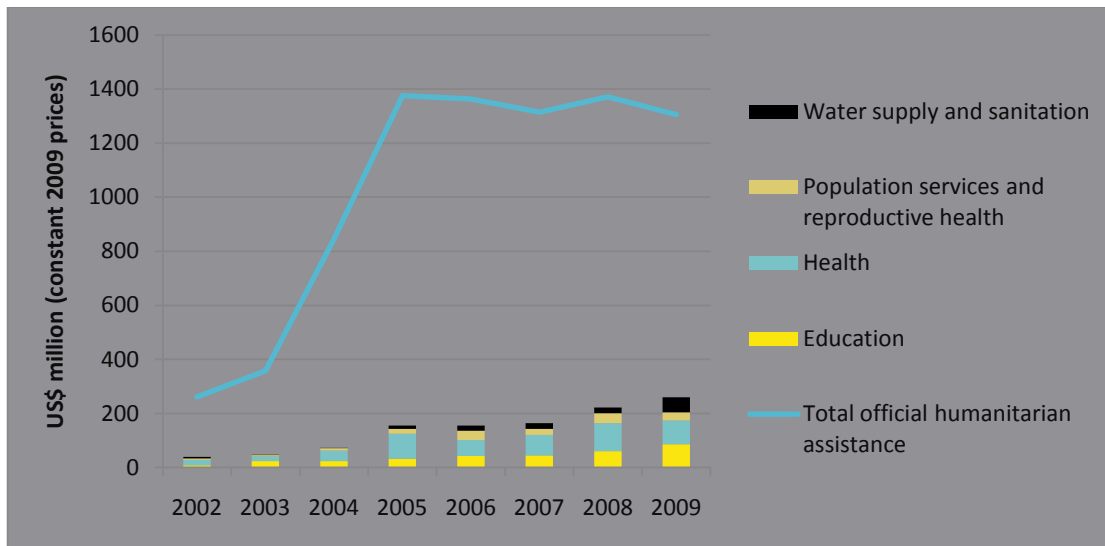


[Source: Development Initiatives based on OECD DAC data]

What is surprising perhaps about ODA expenditure within the social services and infrastructure grouping is not so much the volumes dedicated to governance and peace-building, rather it is the relatively low level of investment in health, reproductive health and population services, education and water and sanitation collectively accounted for just 8.7% (US\$996 million) of the total ODA investment between 2005 and 2009.

However, these volumes must be considered alongside investments in humanitarian aid, which is the principal conduit for aid resources to Sudan.

Sudan: Total official humanitarian aid in relation to ODA flows for service provision, 2000-2009



[Source: Development Initiatives based on OECD DAC data]

Modes of aid delivery

Sudan poses some particular challenges as an aid recipient and much of its aid, consequently, flows outside of the state.

The United States, the largest global donor of ODA, suspended economic assistance to Sudan in 1989 following the coup which brought the current President to power and issued economic, trade and financial sanctions against Sudan in 1997.

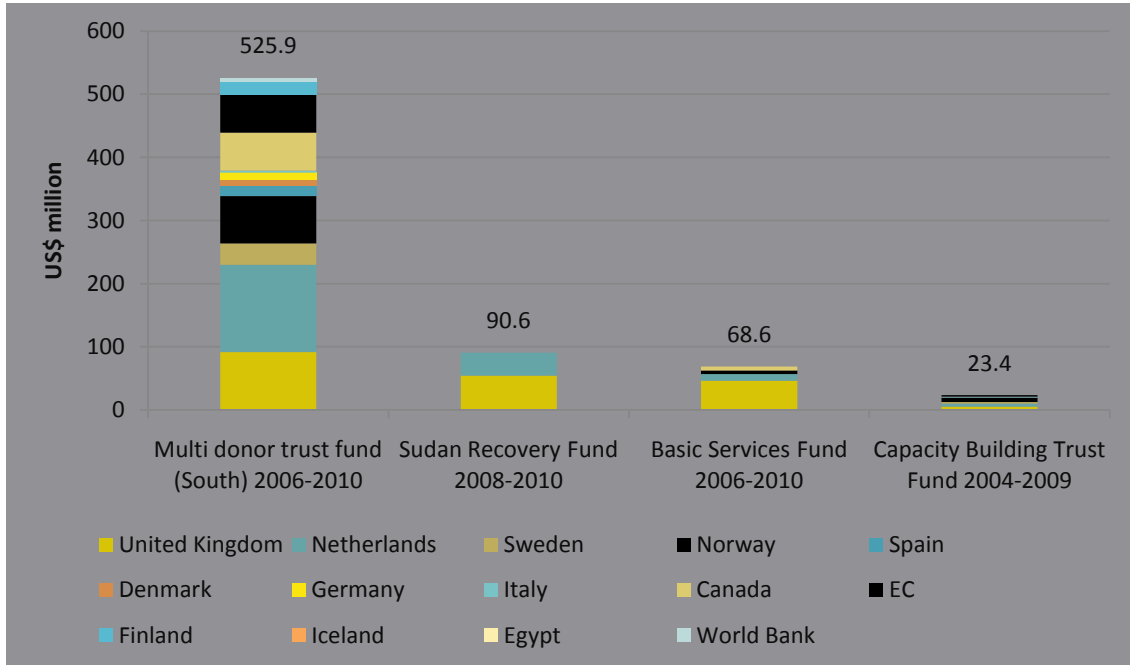
The European Commission (EC) has been unable to programme bilateral development funds for Sudan under its tenth European Development Fund decision following Sudan's non-ratification of the Cotonou Agreement by June 2009. The Cotonou Agreement forms the legal basis for The EC's development partnerships with recipient countries and also contains provisions in support of the Rome Statute. The Rome Statute is the treaty establishing the International Criminal Court.

Sudan is host to an array of pooled donor funding mechanisms that enable donors to support development activities in the north of the country, without channelling them directly through the government, and to support development activities prioritised by the semi-autonomous GoSS in the very early stages of the government's development, while its capacities are limited.

Two MDTFs were agreed at the Oslo donor conference in 2005 to receive reconstruction and development funds. The national MDTF is administered by the World Bank and the Government of Sudan and the southern MDTF by the World Bank and the Government of South Sudan. Collectively, the two MDTFs have received US\$790.8 million in donor funds between 2006 and 2010. However, donors are not the only source of funds and both governments are also required to contribute to the development projects financed by the MDTFs.

There are several additional reconstruction and development pooled funds which benefit South Sudan.

Pooled donor funds in support of activities in South Sudan, 2004-2010



[Sources: Development Initiatives based on United Nations Development Programme (UNDP) Multi-Donor Trust Fund Development Gateway, Mott Macdonald and KPMG data]

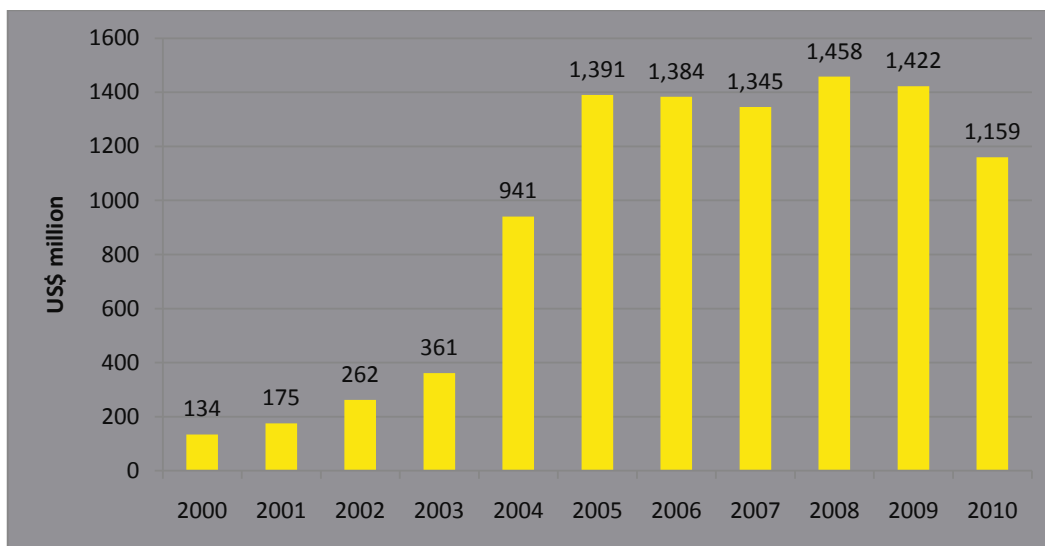
Humanitarian aid

A number of leading government donors began to scale up their humanitarian funding to South Sudan from 2004, in the period of negotiations leading up to the signing of the CPA between the Government of Sudan and the Sudanese People's Liberation Movement/Army in South Sudan. During the same period, conflict in Darfur broke out and rapidly escalated resulting in a major humanitarian crisis, which attracted significant international political attention and humanitarian funding.

In 2004, Sudan's international humanitarian assistance increased by almost US\$600 million and by a further US\$450 million in 2005. Sudan has received more than US\$1 billion every year since 2005 and has been the leading recipient of international humanitarian assistance for the five years between 2005 and 2009; Sudan has received 11.2% of the total international humanitarian assistance allocated to recipient countries in the same period.

Humanitarian aid is the principal conduit for international assistance to meet the basic needs of the population of Sudan, and in the period 2000-2009 Sudan received 60.6% of its total ODA (excluding debt relief) as humanitarian aid.

Sudan: Total international humanitarian assistance from governments and private donors, 2000-2010



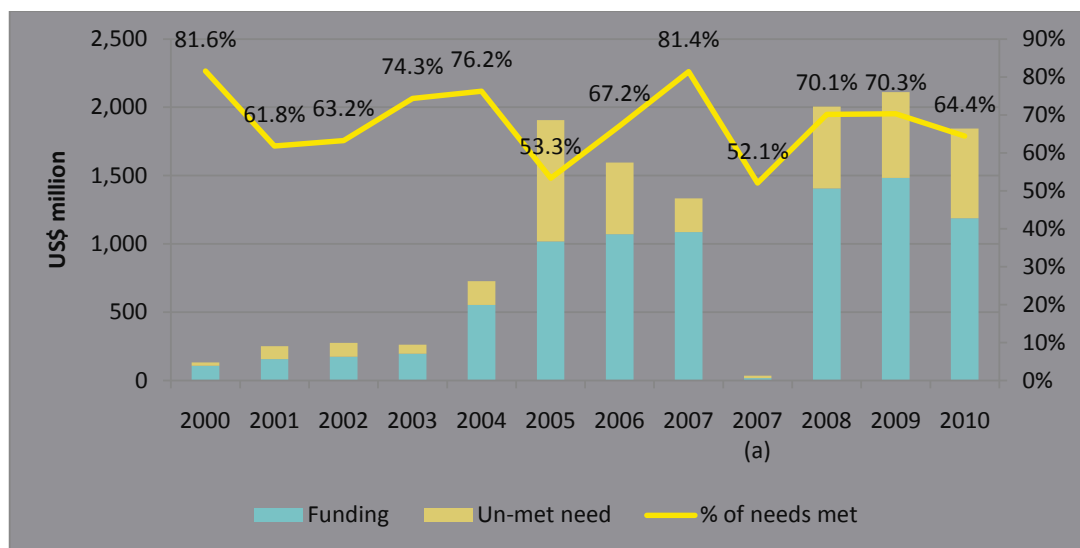
[Source: Development Initiatives based on OECD DAC and UN OCHA FTS data]

UN appeals

Sudan has issued consolidated appeals every year between 2000 and 2010 with an additional flash appeal in response to flooding in 2007. Consolidated appeals requirements almost tripled between 2003 and 2004, as the Darfur crisis escalated and CPA negotiations advanced, and increased in volume a further two and a half times between 2004 and 2005 reaching US\$1.9 billion. While the proportion of financing needs met in 2005 was relatively low at just 53.3%, the volumes received were almost double that of the previous year.

Since 2006, the proportion of Sudan's humanitarian financing needs expressed in consolidated appeals has been above or near the annual average for all UN appeals.

Sudan: Proportion of needs met within UN appeals



[Source: Development Initiatives based on UN OCHA FTS]

South Sudan has received around a third of the total funds recorded against the UN Work Plan between 2006 and 2009.

Sudan: Percentage of UN Work Plan funds received by region, 2006-2009

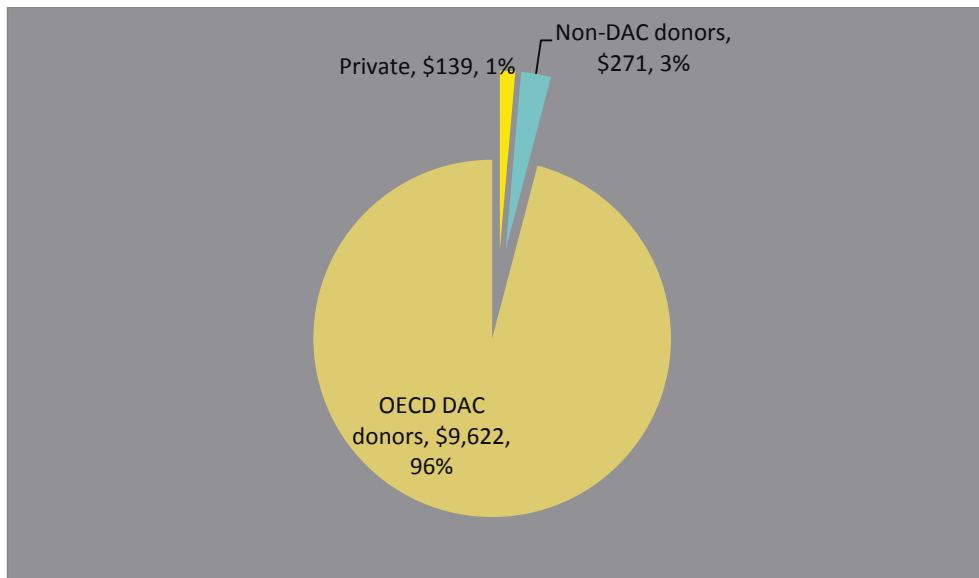
	2006	2007	2008	2009	2006-2009
Khartoum & North	8.5	7.6	11.2	11.5	9.9
Darfur	16.2	16.2	24.2	23.2	21.6
Eastern States	9.4	7.3	10	10.2	9.3
National Programme	9.3	15.3	3	3	7.2
Abeyei	6.8	6	3.6	3.9	4.9
Blue Nile	7.8	6.6	10.3	10.5	9
Southern Kordofan	8.5	8	6	6.2	7
Subtotal: the three areas	23.1	20.6	19.9	20.6	21
South Sudan	37.7	33.1	31.8	31.5	31.1

[Source: Bennett, J., S. Pantuliano, W. Fenton, A. Vaux, C. Barnett and E. Brusset, (2010). Aiding the peace: a multi-donor evaluation of support to conflict prevention and peacebuilding activities in Southern Sudan 2005-2010, ITAD Ltd., United Kingdom]

Humanitarian aid donors

OECD DAC member governments have contributed the largest share of the total international humanitarian response to Sudan – US\$9.6 billion between 2000 and 2010. Non-OECD DAC member governments have provided a relatively small contribution, and it is not clear moreover whether these funds were disbursed in South Sudan.

Sudan: International humanitarian aid by funding source, 2000-2010



Source: Development Initiatives based on OECD DAC and UN OCHA FTS data

The leading bilateral donor of humanitarian aid during the period 2000-2009 was the United States, which contributed 47.8% of the total, some US\$4.0 billion. The second largest donor was the EU Institutions who collectively provided 13.1% of the total (US\$1.1 billion).

While their overall collective contribution remains relatively low, non-OECD DAC member governments have provided significant one-off bilateral humanitarian aid contributions to Sudan, including US\$66 million from Saudi Arabia in 2008 and US\$108 million from the United Arab Emirates in 2009.

The top ten bilateral donors have collectively provided 90.2% of tracked bilateral humanitarian contributions to Sudan in the period 2000-2009.

Bilateral contributions from top five government donors to Sudan, 2005-2009, US\$ million (constant 2009 prices)

2005		2006		2007		2008		2009	
United States	733.0	United States	614.3	United States	588.1	United States	679.7	United States	716.9
United Kingdom	151.4	United Kingdom	155.8	EU Institutions	220.3	EU Institutions	233.6	EU Institutions	170.9
EU Institutions	141.2	EU Institutions	148.9	Netherlands	99.4	United Kingdom	86.5	United Kingdom	125.7
	93.2		96.9			Saudi Arabia (Kingdom of)*	66.4	United Arab Emirates*	107.7
Netherlands		Netherlands		United Kingdom	86.4				
Sweden	41.1	Canada	47.4	Sweden	48.9	Netherlands	60.2	Canada	41.1

Source: Development Initiatives based on OECD DAC and UN OCHA FTS data. Note: values do not include totally un-earmarked contributions from government donors to multilateral agencies. * denotes contributions from non-OECD DAC member governments and where data is derived from the UN OCHA FTS and is in current prices.

From July 2011 the UN OCHA FTS has begun tracking donor contributions in real time against the consolidated appeal/Work Plan for South Sudan.

South Sudan: Donors to the Republic of South Sudan Consolidated Appeal Process, 2011

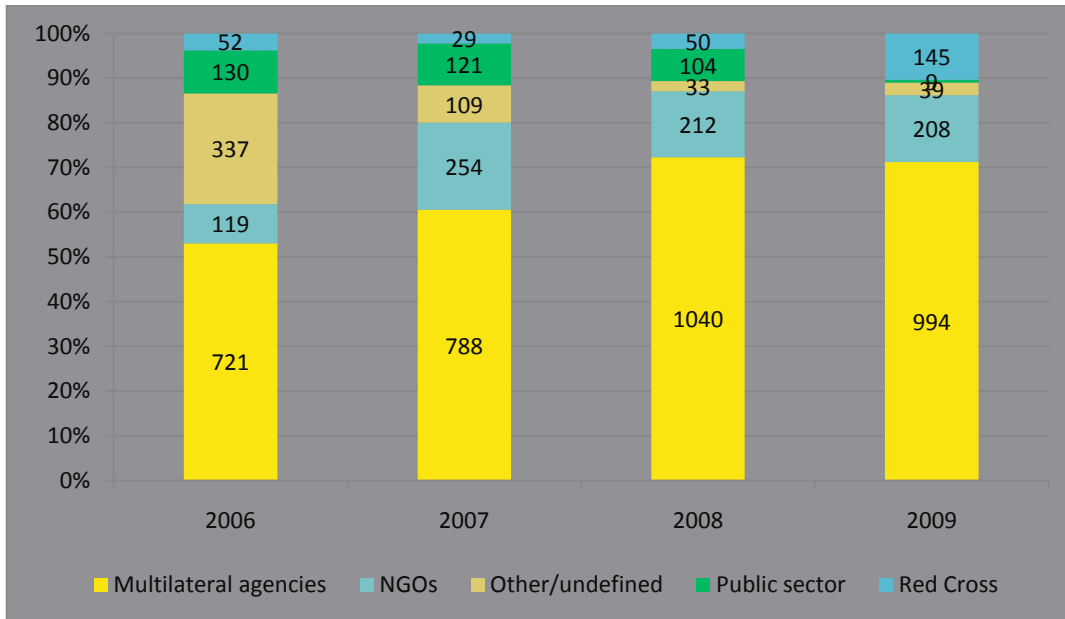
Donor	Funding US\$m	% of total
US	80.1	38.0%
Japan	19.5	9.2%
EC	11.9	5.7%
Denmark	3.9	1.9%
Sweden	2.1	1.0%
Italy	1.7	0.8%
Germany	1.3	0.6%
France	1.2	0.6%
Canada	1.0	0.5%
New Zealand	0.8	0.4%
Korea	0.6	0.3%
Spain	0.4	0.2%
Switzerland	0.3	0.1%
Norway	0.1	0.1%
Estonia	0.1	0.1%
Private (individuals & organisations)	0.0	0.0%
Other income	49.2	23.4%
Carry-over (donors not specified)	22.0	10.4%
Various (details not yet provided)	14.4	6.8%
Total	210.8	100.0%

[Source: Development Initiatives based on UN OCHA FTS data (downloaded 11 July 2011)]

Channel of humanitarian aid delivery

A large proportion of the international humanitarian response channelled to Sudan is channelled via multilateral agencies, around US\$1 billion in 2008 and 2009.

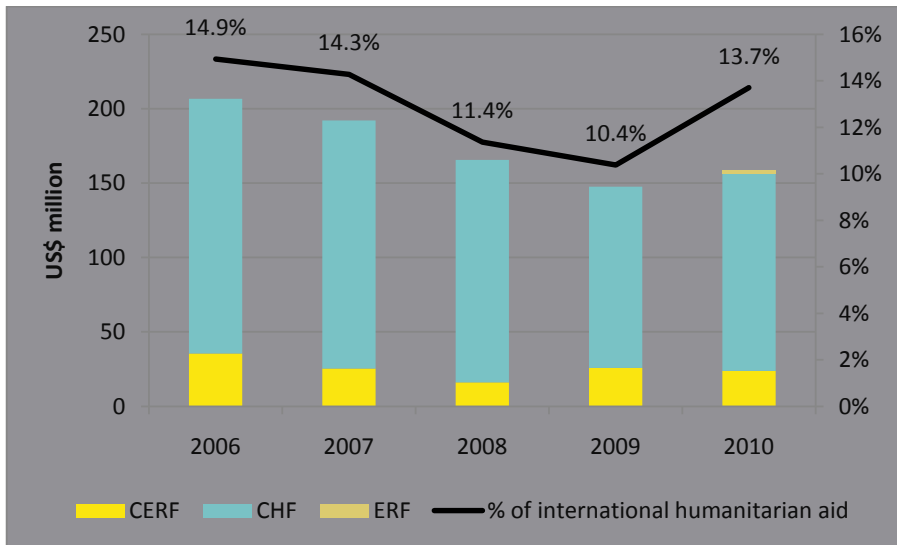
Sudan: First-level recipient channels of delivery of international humanitarian aid, 2006–2009 (US\$ million)



[Source: Development Initiatives based on OECD DAC and OCHA FTS data]

Upwards of 10% of the total international humanitarian response to Sudan is channelled via pooled humanitarian funds each year.

Sudan: Humanitarian aid channelled via pooled humanitarian funds, 2006-2010



[Source: Development Initiatives based on OECD DAC, UN OCHA FTS, UN CERF secretariat data]

An average of 38.1% of Common Humanitarian Fund (CHF) funds between 2007 and 2009 were channelled to South Sudan.

Sudan: Percentage of CHF funds allocated by region, 2007-2009

	2007	2008	2009	2007-2009
Khartoum & North	2.7	3.4	2.8	3
Darfur	26.2	30.5	28.5	21.9
Eastern States	2.3	6.2	4.3	4.3
National Programme	17	10.2	13.3	13.5
Abyei	1.8	2.8	1.9	2.2
Blue Nile	4.7	4	2.9	4.1
Southern Kordofan	7	7.7	3	6.4
Subtotal: the three areas	13.5	14.5	7.8	12.7
South Sudan	38.3	35.3	42.9	38.1

[Source: Bennett, J., S. Pantuliano, W. Fenton, A. Vaux, C. Barnett and E. Brusset, (2010). *Aiding the peace: a multi-donor evaluation of support to conflict prevention and peacebuilding activities in Southern Sudan 2005-2010*, ITAD Ltd., United Kingdom]

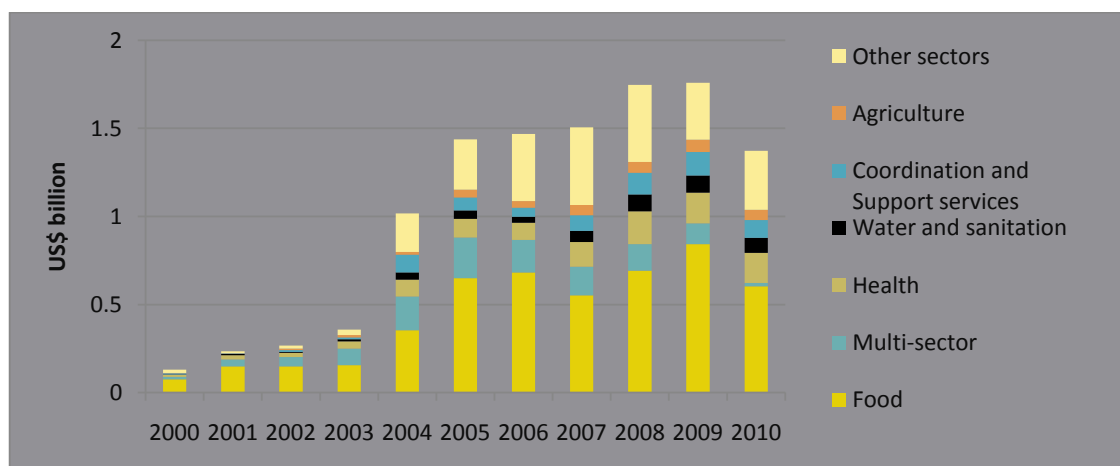
In 2010, South Sudan received 39% (US\$51 million) of the total CHF funds.

Humanitarian aid sectors

The country level common humanitarian fund is the conduit for the greatest proportion of pooled humanitarian funding to Sudan. UN agencies command the largest share of these funds, although this share has decreased from 86.3% in 2006 to around 65% from 2008 onwards.

Food aid has accounted for between one and two thirds of all humanitarian assistance reported to the OCHA FTS. Agriculture on the other hand has received no more than 4.3% of the total in any year. Health has consistently received around 10% of the total. Spending on water and sanitation has increased from just 2.4% of the total in 2006 to 6.4% in 2010.

Sudan: Humanitarian aid sectors, 2000-2010



[Source: Development Initiatives based on UN OCHA FTS]

The 2011 UN Work Plan for Sudan records donor funding contributions against sectors for South Sudan, which demonstrates, at least in 2010, a similarly strong concentration of resources in the food sector in the South as at the national level.

Sector	Revised. requirements \$m	Funding US\$m	Funded
Basic infrastructure	45.58	31.2	68%
Common services/coordination	43.33	41.15	95%
Education	125.34	74.98	60%
Food security and livelihoods	141.78	102.37	72%
Health	57.22	30.69	54%
Mine action	39.85	2.46	6%
NFIs and emergency shelter	12.18	8.73	72%
Nutrition	26.4	21.42	81%
Protection	13.61	5.5	40%
Returns and early reintegration	56.72	13.16	23%
Water, sanitation and hygiene	40.22	21.99	55%
Total	602.24	353.67	59%

[Source: Sudan: UN and Partners Work Plan 2011

http://www.unsudanig.org/workplan/2011/docs/2011_Sudan_Workplan.pdf]

Basic concepts, notes and definitions

GLOBAL HUMANITARIAN ASSISTANCE

The term ‘global humanitarian assistance’ is used within the context of the Global Humanitarian Assistance (GHA) programme to mean:

- international humanitarian response (i.e. humanitarian aid from governments and private contributions)
- domestic response (provided by governments in response to crises inside their own countries)
- other types of assistance that go to people in humanitarian crises which fall outside that captured in the data on ‘international’ or ‘domestic’ humanitarian response (e.g. peacekeeping and other official development assistance (ODA) activities such as governance and security).

INTERNATIONAL HUMANITARIAN AID

International humanitarian aid (sometimes referred to as ‘international humanitarian response’) is used to describe the contributions of:

- international governments
- individuals, private foundations, trusts, private companies and corporations.

HUMANITARIAN AID FROM GOVERNMENTS

Our definition of government funding for humanitarian crises comprises:

- the humanitarian aid expenditure of the 24 OECD DAC members – Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Korea, Luxembourg, the Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom, the United States and the European institutions – as reported to the OECD DAC as part of an annual obligation to report on ODA flows
- expenditure by ‘other governments’ as captured by the United Nations Office for the Coordination of Humanitarian Affairs (UN OCHA) Financial Tracking Service (FTS).

Our labelling of ‘governments’ is driven by the way in which they report their expenditure (see ‘Data Sources’ section). ‘Other governments’ are sometimes referred to as ‘non-DAC donors’, ‘non-traditional donors’, ‘emerging donors’ or ‘south–south development partners’.

Note: For OECD DAC donors, we make an adjustment to the DAC-reported humanitarian aid figure so that it takes account of each donor’s multilateral (core and totally unearmarked) ODA contributions to the United Nations High Commissioner for Refugees (UNHCR), the UN Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and the World Food Programme (WFP) – see ‘total official humanitarian aid’ below. In this report, figures are in constant 2009 prices, unless otherwise stated.

OFFICIAL DEVELOPMENT ASSISTANCE (ODA)

ODA is a grant or loan from an 'official' source to a developing country (defined by the OECD) or multilateral agency (defined by the OECD) for the promotion of economic development and welfare. It is reported by members of the DAC, along with several other government donors and institutions, according to strict criteria each year. It includes sustainable and poverty-reducing development assistance (for sectors such as governance and security, growth, social services, education, health and water and sanitation).

PRIVATE CONTRIBUTIONS

Private contributions are those from individuals, private foundations, trusts, private companies and corporations.

TOTAL 'OFFICIAL' HUMANITARIAN AID

Total 'official' humanitarian aid is a sub-set of ODA. We use it when making comparisons with other development assistance. It takes account of humanitarian expenditure through NGOs, multilateral UN agencies and funds, public-private partnerships and public sector agencies – and, in order to take account of multilateral ODA contributions to UN agencies with almost uniquely humanitarian mandates, we make the following calculations:

- humanitarian aid as reported in DAC1 Official and Private Flows, item I.A.1.5 (net disbursements)
- total ODA disbursements to UNHCR, UNRWA and WFP, as recipients, reported in DAC2a ODA disbursements
 - we do not include all ODA to WFP but apply a percentage in order to take into account the fact that WFP also has a 'developmental' mandate
 - humanitarian aid reported to UNICEF, the United Nations Population Fund (UNFPA), the United Nations Development Programme (UNDP) and 'Other UN' in DAC2a tables is also included in our calculation.

Notes: (1) All of our humanitarian aid categories include money spent through humanitarian financing mechanisms such as the Central Emergency Response Fund (CERF) and country-level pooled funds. Where necessary, we impute amounts spent through the CERF in specific countries back to the donor (for example, if Norway contributed 10% of CERF funding in 2009 and the CERF allocated US\$10 million to Afghanistan, US\$1 million would be added on to Norway's other humanitarian expenditure on projects in Afghanistan). (2) The European Commission (EC) functions both as a donor agency and as a multilateral recipient of EU member state funds. It provides direct donor support to developing countries as well as playing a 'federating' role with other EC institutions and EU member states. We treat the EC as a donor within our DAC donor analyses. However, totally unearmarked ('multilateral') ODA to the EC is a core component of some donors' overall ODA/humanitarian aid contributions – so we calculate the EC's humanitarian aid (including its own unearmarked multilateral ODA to UNHCR, UNRWA and WFP as a donor) and apportion a share of this to each DAC EU member state – Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom.

About us

Global Humanitarian Assistance is a Development Initiatives programme that receives grant funding from the governments of Canada, Denmark, the Netherlands, Sweden and the United Kingdom for its ongoing analysis of aid flows to people living in humanitarian crises.

In addition to the role we play in collating, analysing and communicating ‘humanitarian’ flows reported in the official aid statistics reported to the Development Assistance Committee (DAC) and UN OCHA Financial Tracking Service (FTS), our work allows us to provide insight and assistance on aid architecture and financing mechanisms; fragile states, human security and vulnerability; transparency and accountability. We have specific work streams that focus on governments, delivery agencies, conflict, the scale of needs, the role of the affected state (‘domestic response’) and financing mechanisms.

Development Initiatives is an independent organisation that sees improving aid effectiveness as part of its commitment to the elimination of absolute poverty by 2025.



Global Humanitarian Assistance

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